VZCZCXRO4457 PP RUEHAG RUEHAST RUEHDA RUEHDBU RUEHDF RUEHFL RUEHIK RUEHKW RUEHLA RUEHLN RUEHLZ RUEHPOD RUEHROV RUEHSR RUEHVK RUEHYG DE RUEHBS $\#1253/01\ 1031621$ ZNR UUUUU ZZH P 131621Z APR 07 FM USEU BRUSSELS TO RUEHC/SECSTATE WASHDC PRIORITY INFO RUEHZL/EUROPEAN POLITICAL COLLECTIVE PRIORITY RUEHOT/AMEMBASSY OTTAWA PRIORITY RUEHKO/AMEMBASSY TOKYO PRIORITY RUCPDOC/USDOC WASHDC PRIORITY RUEATRS/DEPT OF TREASURY WASHDC PRIORITY RUEHPS/USOFFICE PRISTINA PRIORITY RUEHVB/AMEMBASSY ZAGREB

UNCLAS SECTION 01 OF 02 BRUSSELS 001253

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SENSITIVE SIPDIS

E.O. 12958: N/A TAGS: PREL ECON EAID SR HR EUN MI RO BU GR BK MW YI TU

SUBJECT: SERBIAN GOVERNMENT PULLS CANDIDATE FOR SECRETARY GENERAL OF STABILITY PACT SUCCESSOR ORGANIZATION

Ref: A) Zagreb 184 B) Brussels 00373

- 11. (SBU) Summary: The transition of the Stability Pact (SP) regional cooperation agenda to regional ownership (refs) hit a bump with the April 11 Serbian withdrawal of the nomination of Goran Svilanovic, former Serbia-Montenegro Foreign Minister and Stability Pact Working Table I (Democracy) chairman, for Secretary General of the proposed Regional Cooperation Council. The Serbian decision, which looks to be purely the result of internal Serbian politics, leaves Croatian Foreign Ministry State Secretary Hido Biscevic as the sole remaining candidate for the SG post, which will be decided when SEECP Prime Ministers meet in Zagreb on May 11. With the SP transition's institutional working group previously achieving SEECP Foreign Ministers concurrence in a transparent nomination process, including a March 31 nomination deadline, there appears to be no room for the Serb intention to submit a new nomination in the next days. In the meantime, Sarajevo and Belgrade remain in play for the site of the RCC secretariat, with most public support going thus far to Sarajevo. End Summary.
- $\underline{ t 1}2$. (SBU) Until the Serbian government decision, the Stability Pact transition to regional ownership and leadership was moving steadily and positively ahead. Most of the administrative issues related to Regional Cooperation Council (RCC) and selecting a location in the region for the RCC Secretariat had been resolved. The IWG and SEECP PolDirs are scheduled to meet again on April 24-25 in Zagreb to resolve the remaining issues, namely the designation of a deputy to the Secretary General (a major Greek political concern) and to set the operational timetable for putting the RCC into place by the February 2008 target date.
- 13. (SBU) The Svilanovic nomination was difficult for the Serbian government, notwithstanding the recent elections and prolonged negotiations on the new government. Svilanovic's established presence in the region, reinforced through his work since 2004 as the Stability Pact Chairman of Working Table I, made him a strong candidate to replace SP Special Coordinator Erhard Busek, a former Vice Chargellor of Austria as the champion of the regional Vice Chancellor of Austria, as the champion of the regional cooperation agenda in South East Europe. However, Svilanssion offici note to the Croatian Embassy in Belgrade putting Svilanovic in play, much to the surprise of observers who had generally written off the possibility.
- 15. (SBU) On April 11, the Croatian Foreign Ministry received the note from the Serbian Embassy in Zagreb informing of the government's decision to withdraw the nomination and promising to submit a new name within seven days. For their part, the Croatian quickly passed on the note to the Stability Pact for wider circulation among SP partners, pointedly noting that the deadline for nominations had expired. Speaking to SP Deputy Special Coordinator Mozur on April 11, Croatian SEECP coordinator Boris Grigic took a firm line against allowing a further nomination from Serbia (or other country) but indicated that the response to that effect would come once a further Serbian communication was forthcoming. forthcoming.
- 16. (SBU) Initial donor reaction was generally marked by disappointment, both with regard to the loss of a strong and acceptable candidate and the implicit embarrassment brought to the region and the Stability Pact transition process by the lack of demonstrated regional leadership. Norwegian SP national coordinator Gieslesen acknowledged that everyone came up short with the Serbian move but acknowledged that there was no option but to let the region sort out its leadership issues in creating the new Regional Cooperation Council. There has been little commentary of significance from regional representatives thus far. significance from regional representatives thus far.

BRUSSELS 00001253 002 OF 002

17. (SBU) Comment: The Serbia Government move to pull Svilanovic from consideration was not unexpected given the tentative nature of his nomination in the first place. At this juncture, the move seems to be fully an internal Serbian matter. Still, the lack of strong interest among the region's senior politicians to lead the effort to create a long-term regional cooperation program is noticeable and reconfirms that home-grown efforts to build a strong regional identity will take some time and that domestic political consideration remain a concern. For his part, Croatian State Secretary Biscevic has proven an effective chair in the role of

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SEECP CiO in the SP transition but his close ties to Croatian PM Sanader leave some to question his eventual independence on regional cooperation matters should he become RCC SG.

18. (SBU) The RCC process calls for the SEECP Political directors to consult with the Stability Pact on the SG and secretariat location nominations through April 20 and to make a definite recommendation to SEECP FMs by April 30. Final decisions will come when the SP Regional Table and SEECP FMs meet on May 10, and will be confirmed by PMs on May 11. Dr. Busek and SP colleagues will be in touch with SP national coordinators in the coming days, and Busek will meet with EC Enlargement Commissioner Rehn on April 19 to assess the situation. The issue of a new Serbian nomination should arise by early next week but is unlikely to gain acceptance in the SP response to the SEECP on behalf of the donors. End Comment.

MCKINLEY